

[Schakowsky proposing higher federal taxes for millionaires, billionaires](#)

By Lynn Sweet on March 16, 2011 9:25 AM | No Comments

below, from Schakowsky.....

Schakowsky Introduces Bill to Tax Millionaires and Billionaires

The most popular way to reduce the deficit, according to 81% of Americans? Put a surtax on federal income taxes for those who make more than \$1 million per year.

-- NBC/Wall St. Journal Poll, March 2, 2011

WASHINGTON, DC (March 16, 2011) - Today Rep. Jan Schakowsky (D-IL), member of President Obama's 18-member Fiscal Commission, introduced the Fairness in Taxation Act, which would create new tax brackets for millionaires and billionaires. Original co-sponsors include co-chairs of the Congressional Progressive Caucus, Rep. Raul Grijalva (D-AZ) and Rep. Keith Ellison (D-MN), as well as Rep. Jesse Jackson, Jr. (D-IL), Rep. Donna Edwards (D-MD), Rep. Bob Filner (D-CA), Rep. Jerry Nadler (D-NY), Rep. Steve Cohen (D-TN), Rep. John Yarmuth (D-KY), and Rep. Peter DeFazio (D-OR).

Income inequality in America is the worst we've seen it since 1928. Wages have stagnated for middle and lower income families despite enormous gains in productivity. Where has all the money gone?

"In the United States today, the richest 1% owns 34 % of our nation's wealth - that's more than the entire bottom 90%, who own just 29% of the country's wealth," said Rep. Schakowsky. "And the top one-hundredth of 1% now makes an average of \$27 million per household per year. The average income for the bottom 90% of Americans? \$31,244. It's time for millionaires and billionaires to pay their fair share, which is why I introduced the Fairness in Taxation Act. This isn't about punishment or revenge. It's about fairness. It's about avoiding budget cuts that harm middle class families and those who aspire to it. We can choose to cut education, job creation

and health care, or we can choose to ask those who can contribute more to do so."

The current top tax bracket begins at \$373,000 in income and fails to distinguish between the "well off" and billionaires - like the top 20 hedge fund managers whose average income last year was over \$1 billion.

The Fairness in Taxation Act asks enacts new tax brackets for income starting at \$1 million and ends with a \$1 billion bracket. The new brackets would be:

- \* \$1-10 million: 45%
- \* \$10-20 million: 46%
- \* \$20-100 million: 47%
- \* \$100 million to \$1 billion: 48%
- \* \$1 billion and over: 49%

The bill would also tax capital gains and dividend income as ordinary income for those taxpayers with income over \$1 million. If enacted in 2011, the Fairness in Taxation Act would raise more than \$78 billion.

Support for Schakowsky's Fairness in Taxation Act:

"I think very wealthy people like me should pay substantially higher taxes, since we have done exceedingly well in the last few decades," said Katharine Myers, a millionaire from Pennsylvania whose income comes from royalties from the Myers-Briggs personality test, created by her mother-in-law, which she has managed with Peter Myers since the 1980s. "Our taxpayer-funded government contributed to my success." Myers has been a supporter of United for a Fair Economy and its Responsible Wealth project for many years.

"It's time we treated multi-millionaires the same way we treat working families - by creating a tax bracket to match their income," said Rep. Raúl M. Grijalva (D-AZ), co-chair of the Congressional Progressive Caucus. "There's no reason to treat the wealthiest one percent of the country any more specially than anyone else, and right now that's exactly what our tax

system is doing. The Republican war on working families means cutting from the middle and handing the savings to the top. Instead, let's have everyone pay their fair share to create jobs and get the economy moving again."

"Millionaires and billionaires should be giving to charity not getting it," said Rep. Keith Ellison (D-MN), co-chair of the Congressional Progressive Caucus. "The middle class is shrinking and deficits are rising because Republicans are giving a pass to special interests who aren't paying their fair share. This bill is part of a plan to level the playing field."

"A tax system where families earning several thousand dollars are taxed at the same rate as millionaires is unfair, and unsustainable," said Rep. Donna Edwards (D-MD). "The Fairness in Taxation Act is a common sense solution to eliminating this inequality and balancing the federal budget. At a time when House Republicans are demanding that working families, teachers, and firefighters bear the burden of reducing the deficit, millionaires should be required to contribute their fair share."

Groups that have endorsed Schakowsky's Fairness in Taxation Act:

United for a Fair Economy, Citizens for Tax Justice, Citizen Action Illinois, U.S. Action, Campaign for America's Future, Wealth for the Common Good, and The Agenda Project.

Congresswoman Schakowsky has shown that there is another way," said Steve Wamhoff, tax expert from Citizens for Tax Justice. "Her proposal would make the federal income tax more progressive by introducing higher rates for taxpayers with income in excess of \$1 million. Millionaires have benefited disproportionately from the tax cuts enacted over the past decade, so it seems entirely reasonable that they share in the sacrifices needed to get our fiscal house in order."

"The budget cuts being debated in Washington shamefully require middle class families to pay the price for the recklessness of the Wall Street bankers and hedge fund managers who broke our economy," said Brian Miller, Executive Director of United for a Fair Economy. "Instead of punishing middle class families and de-funding America, the Fairness in Taxation Act asks those who have benefitted so heavily from the economic bounce of Wall Street to share responsibility for getting our nation's finances on track."

"Any sensible program for deficit reduction must begin with changing the massive tax cuts for the very wealthy," said Roger Hickey, co-director of the Campaign for America's Future. "Those tax give-aways were a major cause of our current deficit. In an era of excessive inequality we should end Bush era tax cuts for the wealthiest Americans. We need progressive revenues not just to bring down deficits, but also to finance investments in job and sustainable growth. The introduction of the Fairness in Taxation Act is an important step that will be popular with the American people."